CMGC Cost Model Guidelines

In the CMGC process UDOT, the design consultant, and the contractor form a partnership. This team relies on the expertise of the contractor to deliver a better product in less time and at a lower cost than a design-bid-build construction processes. To do this, UDOT relies on the contractor to bring the following expertise to the project during the design phase:

- The skills and knowledge to estimate the quantities of materials, labor, and equipment needed to construct the project.
- The skills and knowledge to determine the tasks (work breakdown structure) needed to complete the project and estimate the costs, duration, and sequence of these tasks.
- An understanding of the availability, cost, and capacities of materials, labor, and equipment.
- The skills and knowledge to identify potential risks (including financial risks) and methods to mitigate them during the design process.
- Constructability

At the Request for Proposal stage the contractor should be able to provide UDOT with:

- A preliminary cost estimate and duration for the project broken down into independent servable phases that could be subcontracted out.
- A work breakdown structure for the project developed in accordance with industry best practices. The latest edition of Practice Standard for Work Breakdown Structures is a universal standard for preparing work breakdown structures. Each task in the work breakdown structure should meet the following requirements:
 - o The task can be performed by a crew type.
 - The quantity of work in the task can be measured with a single unit of measure, such as cubic yards or square feet.
 - o The task has a predictable duration, but not necessarily fixed.
- The following should be provided for each task in the work breakdown structure:
 - o The preliminary quantity estimate.
 - o The preliminary cost estimate.
 - o The preliminary duration.
 - o The scope of work for each task.
- A preliminary schedule for the project.
- The project overhead needed to complete the project.

During the design process the contractor works with the designer to:

- Reduce risk,
- Continuously update cost, and
- Achieve a guaranteed maximum price at the end of design.
- Assumptions are documented and
- Updates are with open book prices.